

ACCOUNTANTS' COMPILATION REPORT

Rincon Water Company
Sahuarita, Arizona

We have compiled the annual report to the Arizona Corporation Commission, Utilities Division, for the year ended December 31, 2002 for Rincon Water Company included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting in the form prescribed by the Arizona Corporation Commission, Utilities Division, information that is the representation of management. We have not audited or reviewed the financial statements referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

The financial and statistical information, including other disclosures, are presented in accordance with the requirements of the Arizona Corporation Commission, Utilities Division, which differ from generally accepted accounting principles. Accordingly, the financial statements are not designed for those who are not informed about such differences.

Roberts, Ludwig & Associates, PC

February 21, 2003



RINCON WATER COMPANY

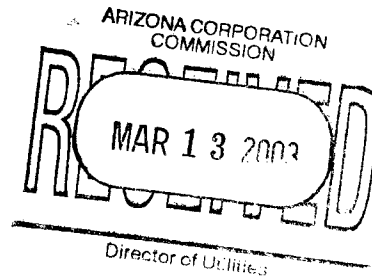
Compiled Financial Statement

For the year ended December 31, 2002

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01723A
Rincon Water Company
HC #70 Box 3601
Sahuarita AZ 85629



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ANNUAL REPORT

FOR YEAR ENDING

12	31	2002
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*Entered
3-13-03
C.M.*

FOR COMMISSION USE

ANN 04	02
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COMPANY INFORMATION

Company Name (Business Name) <u>Rincon Water Company</u>		
Mailing Address <u>H C #70 Box 3601</u>		
<u>Sahuarita</u> (City)	<u>AZ</u> (State)	<u>85629</u> (Zip)
<u>520-625-1671</u>	<u>520-625-1922</u>	<u>N/A</u>
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address <u>N/A</u>		
Local Office Mailing Address <u>same as above</u>		
<u>(Street)</u>		
<u>(City)</u>	<u>(State)</u>	<u>(Zip)</u>
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____		

MANAGEMENT INFORMATION

Management Contact: <u>Karen Hartwell</u>		<u>President</u>	
<u>(Name)</u>	<u>(Title)</u>		
<u>H C #70 Box 3601</u>	<u>Sahuarita</u>	<u>AZ</u>	<u>85629</u>
<u>(Street)</u>	<u>(City)</u>	<u>(State)</u>	<u>(Zip)</u>
<u>520-625-1671</u>	<u>520-625-1922</u>	<u>N/A</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address <u>N/A</u>			
On Site Manager: <u>same as above</u>			
<u>(Name)</u>			
<u>(Street)</u>	<u>(City)</u>	<u>(State)</u>	<u>(Zip)</u>
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			

See accountants' compilation report

Statutory Agent: Michael R. Urman

(Name)

2525 E. Broadway Blvd #200

(Street)

Tucson

(City)

AZ

(State)

85716

(Zip)

520-322-5000

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Michael R. Urman

(Name)

2525 E. Broadway Blvd #200

(Street)

Tucson

(City)

AZ

(State)

85716

(Zip)

520-322-5000

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☒ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☒ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	N/A	N/A	N/A
302	Franchises	1,549	N/A	1,549
303	Land and Land Rights	141,718	N/A	141,718
304	Structures and Improvements	20,928	20,928	-0-
307	Wells and Springs	30,316	30,316	-0-
311	Pumping Equipment	24,992	19,480	5,512
320	Water Treatment Equipment	N/A	(60,548)	60,548
330	Distribution Reservoirs and Standpipes	84,023	69,685	14,338
331	Transmission and Distribution Mains	135,995	135,995	-0-
333	Services	31,138	4,552	26,586
334	Meters and Meter Installations	9,831	4,144	5,687
335	Hydrants	N/A	N/A	N/A
336	Backflow Prevention Devices	N/A	N/A	N/A
339	Other Plant and Misc. Equipment	N/A	N/A	N/A
340	Office Furniture and Equipment	N/A	N/A	N/A
341	Transportation Equipment	1,500	263	1,237
343	Tools, Shop and Garage Equipment	2,216	499	1,717
344	Laboratory Equipment	N/A	N/A	N/A
345	Power Operated Equipment	N/A	N/A	N/A
346	Communication Equipment	8,833	1,546	7,287
347	Miscellaneous Equipment	N/A	N/A	N/A
348	Other Tangible Plant	N/A	N/A	N/A
	TOTALS	493,039	226,860	266,179

This amount goes on the Balance Sheet Acct. No. 108

See accountants' compilation report

COMPANY NAME

Rincon Water Company

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	N/A	N/A	N/A
302	Franchises	1,549	N/A	N/A
303	Land and Land Rights	141,718	N/A	N/A
304	Structures and Improvements	20,928	(limited) 5%	-0-
307	Wells and Springs	30,316	(limited) 5%	-0-
311	Pumping Equipment	24,992	5%	1,250
320	Water Treatment Equipment	N/A	N/A	N/A
330	Distribution Reservoirs and Standpipes	84,023	5%	4,201
331	Transmission and Distribution Mains	135,995	(limited) 5%	-0-
333	Services	31,138	5%	1,557
334	Meters and Meter Installations	9,831	5%	491
335	Hydrants	N/A	N/A	N/A
336	Backflow Prevention Devices	N/A	N/A	N/A
339	Other Plant and Misc. Equipment	N/A	N/A	N/A
340	Office Furniture and Equipment	N/A	N/A	N/A
341	Transportation Equipment	1,500	5%	75
343	Tools, Shop and Garage Equipment	2,216	5%	111
344	Laboratory Equipment	N/A	N/A	N/A
345	Power Operated Equipment	N/A	N/A	N/A
346	Communication Equipment	8,833	5%	442
347	Miscellaneous Equipment	N/A	N/A	N/A
348	Other Tangible Plant	N/A	N/A	N/A
	TOTALS	493,039	N/A	8,127

This amount goes on Comparative Statement of Income and Expense
Acct. No. 403.

See accountants' compilation report

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 2,701	\$ 1,077
134	Working Funds	N/A	N/A
135	Temporary Cash Investments	153,877	139,456
141	Customer Accounts Receivable	10,892	1,958
146	Notes/Receivables from Associated Companies	N/A	N/A
151	Plant Material and Supplies	N/A	N/A
162	Prepayments	N/A	69
174	Miscellaneous Current and Accrued Assets	N/A	N/A
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 167,470	\$ 142,560
	FIXED ASSETS		
101	Utility Plant in Service	\$ 493,039	\$ 493,039
103	Property Held for Future Use	N/A	N/A
105	Construction Work in Progress	23,509	23,509
108	Accumulated Depreciation – Utility Plant	(218,735)	(226,860)
121	Non-Utility Property	N/A	N/A
122	Accumulated Depreciation – Non Utility	N/A	N/A
	TOTAL FIXED ASSETS	\$ 297,813	\$ 289,688
	TOTAL ASSETS	\$ 465,283	\$ 432,248

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

See accountants' compilation report

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 39,777	\$ 30,412
232	Notes Payable (Current Portion)	N/A	N/A
234	Notes/Accounts Payable to Associated Companies	N/A	N/A
235	Customer Deposits	4,320	2,112
236	Accrued Taxes	666	102
237	Accrued Interest	N/A	N/A
241	Miscellaneous Current and Accrued Liabilities	161,560	149,503
	TOTAL CURRENT LIABILITIES	\$ 206,323	\$ 182,129
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ N/A	\$ N/A
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ N/A	\$ N/A
252	Advances in Aid of Construction	126,875	126,875
255	Accumulated Deferred Investment Tax Credits	N/A	N/A
271	Contributions in Aid of Construction	N/A	N/A
272	Less: Amortization of Contributions	N/A	N/A
281	Accumulated Deferred Income Tax	N/A	N/A
	TOTAL DEFERRED CREDITS	\$ 126,875	\$ 126,875
	TOTAL LIABILITIES	\$ 333,198	\$ 309,004
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 588,857	\$ 588,857
211	Paid in Capital in Excess of Par Value	136,073	136,073
215	Retained Earnings	(592,845)	(601,686)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 132,085	\$ 123,244
	TOTAL LIABILITIES AND CAPITAL	\$ 465,283	\$ 432,248

See accountants' compilation report

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 41,934	\$ 35,039
460	Unmetered Water Revenue	N/A	N/A
474	Other Water Revenues	N/A	1,920
	TOTAL REVENUES	\$ 41,934	\$ 36,959
	OPERATING EXPENSES		
601	Salaries and Wages	\$ N/A	\$ N/A
610	Purchased Water	N/A	N/A
615	Purchased Power	2,670	1,736
618	Chemicals	N/A	N/A
620	Repairs and Maintenance	3,577	22,827
621	Office Supplies and Expense	496	983
630	Outside Services	9,588	11,510
635	Water Testing	1,428	911
641	Rents	555	N/A
650	Transportation Expenses	N/A	N/A
657	Insurance – General Liability	5,964	5,595
659	Insurance - Health and Life	1,194	1,194
666	Regulatory Commission Expense – Rate Case	45	45
675	Miscellaneous Expense	1,982	2,515
403	Depreciation Expense	9,250	8,127
408	Taxes Other Than Income	N/A	N/A
408.11	Property Taxes	3,291	1,319
409	Income Tax	N/A	N/A
	TOTAL OPERATING EXPENSES	\$ 40,040	\$ 56,762
	OPERATING INCOME/(LOSS)	\$ 1,894	\$ (19,803)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 5,787	\$ 2,153
421	Non-Utility Income	1,447	11,478
426	Miscellaneous Non-Utility Expenses	N/A	N/A
427	Interest Expense	(1,424)	(2,669)
	TOTAL OTHER INCOME/(EXPENSE)	\$ 5,810	\$ 10,962
	NET INCOME/(LOSS)	\$ 7,704	\$ (8,841)

See accountants' compilation report

COMPANY NAME Rincon Water Company
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SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	N/A	N/A	N/A	N/A
Source of Loan	N/A	N/A	N/A	N/A
ACC Decision No.	N/A	N/A	N/A	N/A
Reason for Loan	N/A	N/A	N/A	N/A
Dollar Amount Issued	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Amount Outstanding	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Date of Maturity	N/A	N/A	N/A	N/A
Interest Rate	N/A	N/A	N/A	N/A
Current Year Interest	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Current Year Principle	\$ N/A	\$ N/A	\$ N/A	\$ N/A

Meter Deposit Balance at Test Year End	\$ N/A
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Meter Deposits Refunded During the Test Year	\$ N/A
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See accountants' compilation report

COMPANY NAME	Rincon Water Company
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WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
607531	15	1550	280	12"	4"	1982
607532	Capped	N/A	N/A	N/A	N/A	N/A
607533	5	40	101	24"	2"	1982

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
40	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
186,000	1		
20,000	1		

See accountants' compilation report

COMPANY NAME

Rincon Water Company

WATER COMPANY PLANT DESCRIPTION (CONTINUED)**MAINS**

Size (in inches)	Material	Length (in feet)
2	Plastic	1,000
3	N/A	N/A
4	Plastic	1,600
5	N/A	N/A
6	Transite	40,900
8	N/A	N/A
10	N/A	N/A
12	N/A	N/A

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	N/A
3/4	N/A
1	33
1 1/2	N/A
2	N/A
Comp. 3	N/A
Turbo 3	N/A
Comp. 4	N/A
Tubo 4	N/A
Comp. 6	N/A
Tubo 6	N/A

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

N/A

STRUCTURES:

Water plant with 2 buildings and a pond all located in a fenced site

OTHER:

N/A

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2002

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	33	280,630	455,000
FEBRUARY	33	759,560	951,000
MARCH	33	430,360	493,000
APRIL	33	444,400	558,000
MAY	33	560,020	628,000
JUNE	33	732,190	794,000
JULY	33	509,990	615,000
AUGUST	33	568,320	624,000
SEPTEMBER	33	535,120	546,000
OCTOBER	33	464,190	479,000
NOVEMBER	33	331,630	356,000
DECEMBER	33	225,470	299,000
TOTAL		N/A	6,798,000

584,800

Is the Water Utility located in an ADWR Active Management Area (AMA)?

(x) Yes () No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (x) No

If yes, provide the GPCPD amount: N/A

What is the level of arsenic for each well on your system. 0.0024 mg/l

(If more than one well, please list each separately)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Rincon Water Company

YEAR ENDING 12/31/2002

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2002 was: \$ 1,319

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

See accountants' compilation report

M 247408 PIMA COUNTY TAX RECEIPT



ARIZONA

COUNTY	BOOK	MAP	PARCEL	AMOUNT OF TAX	FIRST HALF	SECOND HALF
10	205	85	007C 0	AMOUNTS EXPENSE PAID	DO NOT PAID	

THIS IS YOUR RECEIPT FOR PAYMENT OF FIRST HALF 2002 REAL ESTATE TAXES

RINCON WATER COMPANY
ATTN: KAREN HARTWELL
HC 70 BOX 3801
SAHUARITA AZ 85629
CK

AMOUNT PAID	DATE
\$18.62	MONTH DAY YEAR 0/17/2002

THANK YOU FOR YOUR PAYMENT.
BETH FORD
PIMA COUNTY TREASURER

M 3867 PIMA COUNTY TAX RECEIPT



ARIZONA

COUNTY	BOOK	MAP	PARCEL	AMOUNT OF TAX	FIRST HALF	SECOND HALF
10	204	85	004R 0	AMOUNTS EXP 15 2002 0 PAID	0 PAID	0 PAID

THIS IS YOUR RECEIPT FOR PAYMENT OF FIRST HALF 2002 REAL ESTATE TAXES

RINCON WATER CO
HC #70 BOX 3601
SAHJARITA AZ 85629

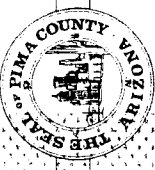
CK

AMOUNT PAID	DATE
\$11.90	10/17/2002

THANK YOU FOR YOUR PAYMENT.

BETH FORD
PIMA COUNTY TREASURER

M 2 PIMA COUNTY TAX RECEIPT



ARIZONA

COUNTY	BOOK	MAP	PARCEL	AMOUNT OF TAX	FIRST HALF	SECOND HALF
10	203	77	006C 0	A MOUNTS EXP 4,005.27	PAID	\$1,005.27

THIS IS YOUR RECEIPT FOR PAYMENT OF FIRST HALF 2002 REAL ESTATE TAXES.

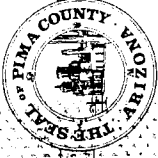
RINCON WATER COMPANY
ATTN: KAREN HARTWELL
HC 70 BOX 3601

SAHUARITA AZ 85629
CK

AMOUNT PAID	DATE
#1,005.27	MONTH DAY YEAR 10/17/2002

THANK YOU FOR YOUR PAYMENT.
BETH FORD
PIMA COUNTY TREASURER

M 2001 PIMA COUNTY TAX RECEIPT



ARIZONA

COUNTY	BOOK	MAP	PARCEL	AMOUNT OF TAX	FIRST HALF	SECOND HALF
10	205	85	0030 0	AMOUNTS EXP \$223.07	PAID \$223.07	PAID \$223.07

THIS IS YOUR RECEIPT FOR PAYMENT OF FIRST HALF 2002 REAL ESTATE TAXES.

RINCON WATER COMPANY
ATTN: KAREN HARTWELL
HC 70 BOX 3601

SAHUJARITA AZ 85629
CK

AMOUNT PAID	DATE
\$223.07	07/17/2002

THANK YOU FOR YOUR PAYMENT.
BETH FORD
PIMA COUNTY TREASURER

M 247403 PIMA COUNTY TAX RECEIPT



ARIZONA

COUNTY	BOOK	MAP	PARCEL	AMOUNT OF TAX	FIRST HALF	SECOND HALF
10	204	84	0140 0	A MOUNTS	EXPT \$60.50 ED PAID	1011 A 11 \$60.50

THIS IS YOUR RECEIPT FOR PAYMENT OF FIRST HALF 2002 REAL ESTATE TAXES.

RINCUN WATER COMPANY
ATTN: KAREN HARTWELL
HC 70 BOX 3601

SAHUARITA AZ 85629
CK

AMOUNT PAID	DATE
\$60.50	MONTH DAY YEAR 10/17/2002

THANK YOU FOR YOUR PAYMENT.
BETH FORD
PIMA COUNTY CLERK

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>0</u>
Estimated or Actual Federal Tax Liability	<u>0</u>
State Taxable Income Reported	<u>0</u>
Estimated or Actual State Tax Liability	<u>0</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>0</u>
Amount of Gross-Up Tax Collected	<u>0</u>
Total Grossed-Up Contributions/Advances	<u>0</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Karen Hartwell
SIGNATURE

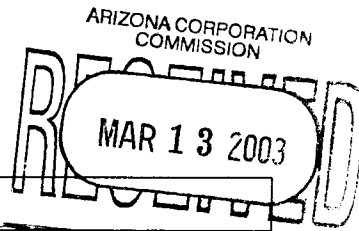
3-11-03
DATE

Karen Hartwell
PRINTED NAME

President
TITLE

See accountants' compilation report

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**



VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Pima
NAME (OWNER OR OFFICIAL) TITLE	Karen Hartwell, President
COMPANY NAME	Rincon Water Company

Director of Utilities

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2002 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 37,064

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 2,025

IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Karen Hartwell
SIGNATURE OF OWNER OR OFFICIAL
520-625-1671
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

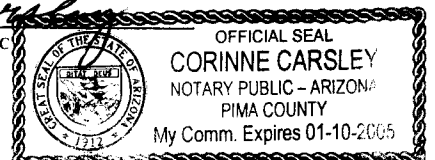
THIS 11th DAY OF

COUNTY NAME	Pima
MONTH	March
	20 <u>03</u>

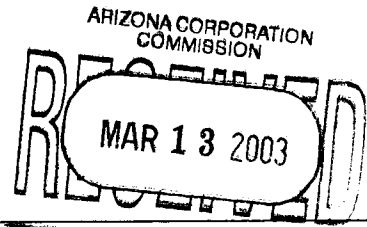
(SEAL)

MY COMMISSION EXPIRES 1/10/05

Corinne K. Carsley
SIGNATURE OF NOTARY PUBLIC



**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) Pima		Director of Utilities
NAME (OWNER OR OFFICIAL) Karen Hartwell		TITLE President
COMPANY NAME Rincon Water Company		

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2002 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ 37,064
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(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 2,025
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

SIGNATURE OF OWNER OR OFFICIAL

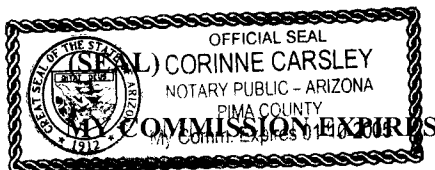
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

11th

DAY OF



NOTARY PUBLIC NAME Corinne Carsley	
COUNTY NAME Pima	
MONTH March	. 20 03

X
SIGNATURE OF NOTARY PUBLIC

11/10/05